

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

UNITED STATES OF AMERICA,) Docket No. 18 CR 00681
Plaintiff,) Chicago, Illinois
v.) April 1, 2024
MICHAEL ABRAMSON,) 9:40 a.m.
Defendant.)

TRANSCRIPT OF PROCEEDINGS - Arraignment
BEFORE THE HONORABLE VIRGINIA M. KENDALL

APPEARANCES:

For the Government: UNITED STATES ATTORNEY'S OFFICE by
MR. RICHARD M. ROTHBLATT
Assistant United States Attorney
219 South Dearborn, 5th Floor
Chicago, IL 60604

For the Defendant: MR. NISHAY KUMAR SANAN
53 West Jackson, Suite 1437
Chicago, IL 60604

Court Reporter: GAYLE A. McGUIGAN, CSR, RMR, CRR
Official Court Reporter
219 S. Dearborn Street, Room 2504
Chicago, IL 60604
312.435.6047
gayle_mcguigan@ilnd.uscourts.gov

1 (In open court.)

2 (Defendant enters courtroom.)

3 THE CLERK: 18 CR 681, U.S. versus Michael Abramson.

4 MR. ROTHBLATT: Good morning, your Honor. Richard
5 Rothblatt on behalf of the United States.

6 THE COURT: Good morning.

7 MR. SANAN: Good morning, your Honor. Nishay Sanan on
8 behalf of Mr. Abramson, who is present.

9 THE COURT: Good morning.

10 Good morning, Mr. Abramson.

11 THE DEFENDANT: Good morning.

12 THE COURT: I have here a superseding indictment.

13 Did you have a chance to review it with your client?

14 MR. SANAN: We have, Judge. Judge, acknowledge
15 receipt of the superseding indictment. We'll waive formal
16 reading and enter pleas of not guilty to all counts.

17 THE COURT: Very well then.

18 Please tell him the maximum penalties for the charges
19 now.

20 MR. ROTHBLATT: Very good, Judge.

21 In Counts 1 through 13, the defendant is charged with
22 making false statements in corporate and personal income tax
23 returns. The maximum penalties include a term of imprisonment
24 of up to three years per count, a fine of up to \$100,000 per
25 count, a term of supervised release of up to one year, and a

1 special assessment of \$100 per count.

2 THE COURT: Okay.

3 MR. ROTHBLATT: In Count 14, the defendant is charged
4 with witness tampering, in violation of 18 U.S.C. 1512(b)(1).
5 The maximum penalties include a term of imprisonment of up to
6 20 years, a fine of up to \$250,000, a term of supervised
7 release of three years, and a special assessment of \$100.

8 In Count 15, the defendant is charged with contempt of
9 court order, in violation of 18 U.S.C. 401(3). The maximum
10 penalties include a term of imprisonment of life imprisonment.
11 There is no statutory maximum imprisonment. A fine of up to
12 \$250,000, a term of supervised release of up to three years,
13 and a special assessment of \$100.

14 THE COURT: That is the maximum amount of time and
15 penalty that you can receive if you're convicted of each of
16 these counts within the indictment.

17 Do you understand that, Mr. Abramson?

18 THE DEFENDANT: I do.

19 THE COURT: Okay. All right. So let's give you a
20 date for pretrial motions.

21 MR. SANAN: Yes, Judge.

22 THE COURT: Do you think you can get any on file
23 within -- let's see, we've got -- do we have a new date in
24 July?

25 MR. SANAN: Judge, we have a July 1st trial date to

1 pick the jury, and I think we're supposed to start then after
2 the 4th holiday.

3 THE COURT: Oh, I was wondering how that -- I looked
4 at that, and I thought why did I do that.

5 MR. SANAN: I think our plan was to pick the jury,
6 because I think the 1st is a Monday --

7 THE COURT: And then --

8 MR. SANAN: -- I think.

9 THE COURT: And let them go. Okay.

10 MR. SANAN: Right.

11 THE COURT: Okay. So let me do this then. Looking at
12 the calendar, let me give you until the 22nd of April to file
13 any pretrial motions.

14 And then any responses to those will be May 6.

15 Any replies will be May 13.

16 I'll see all of you on May 16 -- am I in then? Check
17 on all those conferences in May. I think I am in, right?

18 THE CLERK: You are in.

19 THE COURT: Yes. May 16 at 9:30.

20 I'll exclude time for the filing and review of
21 pretrial motions.

22 And, hopefully, I'll be able to deal -- determine
23 whether there's any need for hearings or anything at that time,
24 which will give us enough time to finish up what we have to do
25 before the July date. Okay?

1 I think today I'll probably look on the -- at the
2 calendar and get you in for a final pretrial conference and
3 your deadlines for 404(b) and *Santiago*, et cetera, so check
4 your dockets for those. I'll probably try --

5 MR. ROTHBLATT: Judge, you already set those.

6 THE COURT: Oh, I did.

7 MR. ROTHBLATT: Yes.

8 THE COURT: Oh, never mind then. I'm ahead --

9 MR. ROTHBLATT: We have set all that --

10 THE COURT: -- of myself.

11 That's good. That's what I like to hear.

12 Anything else that I need to address with you today,
13 Mr. Sanan?

14 MR. SANAN: Judge, we filed a motion for you to
15 reconsider pretrial release.

16 THE COURT: Okay.

17 MR. SANAN: I don't have the docket number, and I
18 apologize. I printed a non-ECF version of it.

19 MR. ROTHBLATT: 191.

20 MR. SANAN: Judge, 191.

21 THE COURT: Okay.

22 THE CLERK: It's also in your stack, your Honor.

23 THE COURT: Oh, is it in my stack, too?

24 THE CLERK: It is.

25 THE COURT: Okay. I've got it.

1 So if he were to be released, where would he be living
2 and with whom and what would he be doing?

3 MR. SANAN: Judge, there's two options. And I think
4 one of the --

5 (Counsel conferring.)

6 MR. SANAN: So, Judge, his wife has an illness where
7 for the first 30 days he would live with his son. Because of
8 coming out of prison, they're worried about his wife's safety.
9 And his son is present --

10 THE COURT: Health safety --

11 MR. SANAN: -- Michael Abramson, Junior, is here.

12 THE COURT: Medical safety.

13 MR. SANAN: Medical safety, because coming out of the
14 prison, they just want to be safe. So the first 30 days would
15 be with his son, who is present. Then he would transfer back
16 to his Wilmette home where he was living before he was
17 detained, your Honor.

18 THE COURT: Okay.

19 MR. SANAN: He would be working not in the same office
20 as where the individual who was part of Counts 14 and 15. She
21 is still employed, Judge. We laid that out. No one has
22 intentions of letting her go. They value her work. He will
23 not deal directly -- he will not deal with her at all,
24 actually. It will be the people who have been dealing with her
25 while he's been in prison for the last month. He would like to

1 continue, obviously -- he's running a law practice, which is
2 heavy probate. She does work on the probate stuff, but it's
3 more accounting. He would do the legal work from a different
4 location and not have any interaction with her whatsoever. And
5 then he would continue to run his other businesses up until the
6 day of the trial.

7 THE COURT: Okay. And your position?

8 MR. ROTHBLATT: Judge, there's no basis for the Court
9 to revisit its original determination. The Court found, and
10 this finding has now been sustained by a jury, probable cause
11 that the defendant violated the law through witness tampering
12 in the lead-up to trial and that he had violated the Court's
13 orders.

14 For the reasons the defendant proffers that he can be
15 released here are that, first, he's quickly learned his lesson,
16 but, Judge, that's not really the purpose of pretrial release.
17 This isn't an exercise in detaining him for a period of time so
18 he feels like he understands better the law.

19 The defendant has also been an attorney for
20 approximately 50 years. He did know the law. He didn't need
21 time incarcerated to learn a lesson. This was a serious
22 violation, something the Court said it had never seen before.
23 The government, as I'm standing here, I've never seen this
24 before.

25 The defendant wrote out a transcript -- on a

1 transcript scripted answers for a witness two weeks before
2 trial. And even if the defendant represents to the Court that
3 he's not going to maintain contact with Individual B, the
4 person to whom he gave the transcript, it's someone who is
5 still working for him in some capacity. He has financial
6 control over her. And he will still be on release, able to
7 contact other potential witnesses more freely.

8 Also contrary to defendant's second point articulated
9 in this motion, that he has been otherwise compliant with the
10 Court's orders, the government articulated in its motion and to
11 this Court several purported other violations of his pretrial
12 release throughout the course of this case, including one at
13 trial that your Honor had to admonish him about regarding
14 contact with a witness.

15 So I don't believe there's any basis for the Court to
16 reconsider its ruling. Its ruling was premised on the severity
17 of the violation, one of the most serious this Court said it
18 had seen, had seen nothing of the ilk, and the risks for
19 further impeding justice here. The defendant right now is
20 incarcerated. He has limited ability to contact witnesses.
21 His calls are recorded. His emails are recorded. This is a
22 good thing for someone who attempted to obstruct a trial two
23 weeks before it was set to go.

24 I don't think there's any basis for the Court to
25 reconsider its ruling.

1 THE COURT: Any reply?

2 MR. SANAN: Yes, Judge.

3 There's -- no one is denying the severity of the
4 allegations made by the government in their indictment. We're
5 not denying that part. It's something that the Court will
6 have -- obviously, a jury will hear at trial. And a grand jury
7 came back with probable cause to believe that. But the issue
8 with bond is are there less severe remedies to make sure this
9 Court knows that, number one, he's not a flight risk, which I
10 don't think there's ever been an issue about. I guess the
11 government is couching this as a danger to the community
12 because of contact with a witness.

13 Judge, the government has brought up that your Honor
14 has had to admonish him. It's been about the same person. The
15 last time we were here during trial, your Honor admonished him
16 about whether or not she owns stock, which your Honor
17 admonished him. And then obviously you revoked his bond based
18 on what this -- all the parties believe the severity of the
19 alleged allegations.

20 But the issue with bond is are there less severe
21 restrictions that can be placed on Mr. Abramson to assure he's
22 not a danger to the community or a flight risk.

23 So I'm assuming we don't have to worry about flight
24 risk because he's traveled foreignlly, he's come back. He's
25 traveled domestically, he's come back. There's never been an

1 issue of him being a flight risk.

2 The issue of what I'll say is danger to the community,
3 Judge, there's ways this Court can assure -- and it's been in
4 place for the last month, because he does have access to the
5 phone, but at no time has he tried to contact Ms. Roth in any
6 form or fashion. Nothing has been done to jeopardize her job.
7 In fact, I've spoken with his son. I've spoken with other
8 people in the company. They want to make sure she continues to
9 work because she's considered a valued employee.

10 At this point, he's presumed not inno -- he's presumed
11 not guilty, Judge. There is a variety of conditions this Court
12 could put on Mr. Abramson to assure that this alleged conduct,
13 if it took place, doesn't happen again.

14 And I just want to make sure the Court understands, no
15 one is doubting the severity of the allegations. Mr. Abramson
16 understands the severity of the allegations, especially after
17 reading the new indictment.

18 But I think there are conditions this Court could put
19 on him. Given our trial is in three months, roughly three
20 months, and he's out in Kankakee, the majority of this case,
21 obviously your Honor knows that the first 13 counts are the tax
22 fraud, in order to prepare appropriately, in order to ensure
23 everybody's safety, that, at minimum, Judge, put him on house
24 arrest. Give him that opportunity where he can't go anywhere.
25 Your Honor, we can check up on him as often as your Honor

1 wants. But I think a good starting point, which is less severe
2 than him being incarcerated from now until July, is, at
3 minimum, house arrest, Judge, because that is one condition
4 where it can be assured.

5 And, your Honor, Ms. Roth reported this herself --
6 sorry, Individual B reported this herself. I'm assuming --
7 again, this is an assumption -- that if there's any type of
8 contact, which she knows, it's been advised by her counsel that
9 she's not supposed to have with Mr. Abramson, it will get
10 reported and we'll be right back here. And at that point, your
11 Honor can lock him up because then he did screw up.

12 But I think there is less restrictive means than
13 incarcerating Mr. Abramson on this type of case.

14 THE COURT: So I just reviewed this this morning, and
15 I think I want to take it under advisement and give you a
16 ruling this week.

17 But since his son is here, tell me what his -- because
18 if the first 30 days that you're proposing that he be within
19 his son's house, what does he do and where does he live?

20 MR. SANAN: Can he approach?

21 THE COURT: Yes, that's fine -- well, you can tell me
22 in case I have to -- you know, you can just tell me --

23 MR. SANAN: Judge, Michael Abramson, Junior --

24 THE COURT: Yes.

25 MR. SANAN: -- which is a Junior, is employed with his

1 father to run the probate business.

2 THE COURT: Oh, okay.

3 MR. SANAN: So what happens is -- he's not a lawyer,
4 but he runs the financial side of the probate business, and he
5 has had full interaction with Ms. Roth as she provides
6 accounting for the probate business. That's what's happened
7 over the last month since Mr. -- Mr. -- Senior has been
8 incarcerated.

9 THE COURT: Okay.

10 MR. SANAN: So the plan would be until he passes the
11 health requirement, because no one wants harm to come to his
12 wife because of coming out of prison, it would be 30 days with
13 Abramson, Junior, and then he would go back to the Wilmette
14 home --

15 THE COURT: But where does he live?

16 MR. ABRAMSON, JR.: I live in Lake Forest.

17 THE COURT: In Lake Forest?

18 And who lives with you?

19 MR. ABRAMSON, JR.: My wife.

20 THE COURT: Any children?

21 MR. ABRAMSON, JR.: No.

22 THE COURT: No. Okay.

23 And is your wife employed?

24 MR. ABRAMSON, JR.: No.

25 THE COURT: I don't know if you had a chance to look

1 into even his background yet to see if --

2 MR. ROTHBLATT: We haven't, Judge. And Pretrial has
3 had no kind of examination, to my knowledge, out there --

4 THE COURT: Okay. Well, I'll ask Pretrial to give me
5 that background so that we know that for sure.

6 But I'll make a decision this week, because I just
7 read it this morning, okay? And I'll make sure that I look at
8 all of your concerns. All right? And give you a ruling this
9 week.

10 MR. SANAN: Thank you, Judge.

11 THE COURT: Anything else from the government?

12 MR. ROTHBLATT: No, your Honor.

13 THE COURT: All right. Thanks very much.

14 MR. ROTHBLATT: Thanks, Judge.

15 MR. SANAN: Thank you, Judge.

16 THE COURT: Thank you.

17 (Concluded at 9:52 a.m.)

18 C E R T I F I C A T E

19 I certify that the foregoing is a correct transcript of the
20 record of proceedings in the above-entitled matter.

21

22 /s/ GAYLE A. McGUIGAN
23 GAYLE A. McGUIGAN, CSR, RMR, CRR
Official Court Reporter

April 22, 2024

24

25